

FILE COPY

FILED

APR 7 1939

CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

October Term, 1938

No. 582

**ELECTRICAL FITTINGS CORPORATION, JOSELSON
SALES CORPORATION, SAMUEL JOSELSON AND
BELLE JOSELSON**

Petitioners

v.

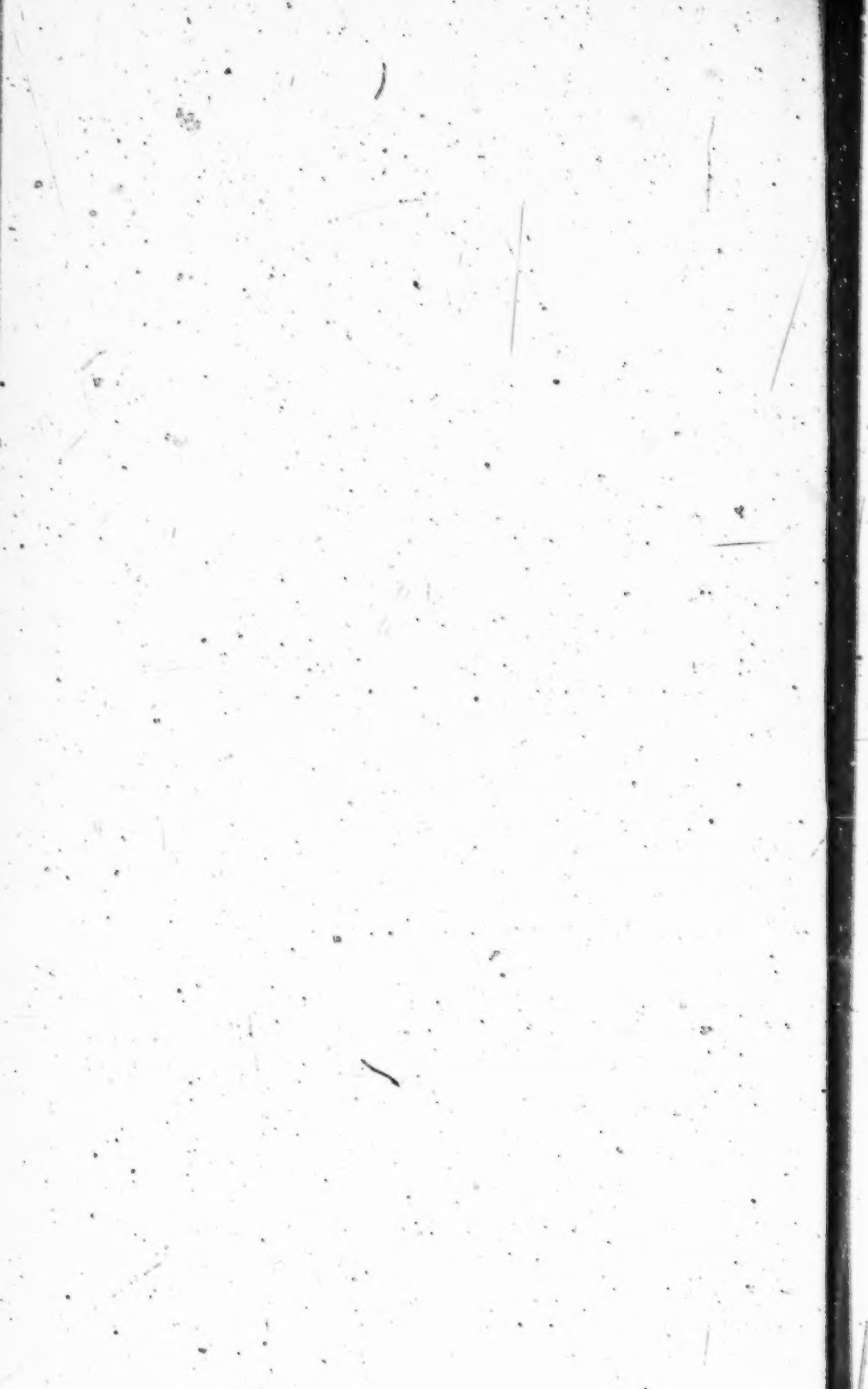
**THE THOMAS & BETTS CO. AND NATIONAL
ELECTRIC PRODUCTS CORPORATION**

Respondents

BRIEF FOR RESPONDENTS

GEORGE WHITEFIELD BETTS, JR.
WILLIAM BOHLEBER
FRANCIS H. FASSETT

Counsel for Respondents



INDEX

	PAGE
Supplemental Statement of the Case.....	2
Respondents Re-State Question Presented by Petitioners	14
Petitioners' Present Position is of Their Own Deliberate Making	16
Jurisdiction	17
As the Decree of the District Court Terminated the Case in Petitioners' (Defendants') Favor by Denying Respondents' (Plaintiffs') Prayer for an Injunction and an Accounting, the Court Below Did Not Have Jurisdiction.....	18
Petitioners Are Seeking to Have This Court Consider "a Moot or Academic Question of Law" or Judicially Determine "a Moot Case".....	19
Petitioners Have Obtained Full Relief and Therefore Not Justified in Urging That the Decree Should Have Been Based Upon Both Grounds.....	21
Decision of the Court Below States the Law.....	22
The Precise Question Here Involved Was Passed Upon and is Therefore Controlled by the Decision of This Court in the Case of Corning et al. v. The Troy Iron & Nail Factory, 15 How. 449.....	22
Petitioners' Question is Not Based Upon a Conflict of Decisions	25
Barber Asphalt Case, 302 U. S. 458, 82 L. Ed. 371.....	28
Carbice Corporation v. American Patent Development Corporation, 283 U. S. 27, 75 L. Ed. 819.....	29
Respondents Have Not Created an Unlawful Monopoly	30
In Conclusion	33

TABLE OF CASES CITED

	PAGE
American Equipment Co. v. Tuthill Bldg. Material Co., 69 F. (2d) 406.....	8
Ashwander v. Tennessee Valley Authority, 297 U. S. 288, 80 L. Ed. 688.....	20
Baltimore S. S. Co. v. Phillips, 9 F. (2d) 902.....	12
Barber Asphalt Case, 302 U. S. 458, 82 L. Ed. 371.....	28
E. Bement & Sons v. National Harrow Company, 186 U. S. 70, 46 L. Ed. 1058.....	7
Carbice Corporation v. American Patent Development Corporation, 283 U. S. 27, 75 L. Ed. 819.....	29
Chapin v. Friedberger Aaron Manufacturing Co., 158 Fed. 409 (C. C. A. 3).....	21
City of Lampasas v. Bell, 180 U. S. 276, 284; 45 L. Ed. 527, 531.....	20
City of New Orleans v. Alphonse Emsheimer, 181 U. S. 152, 153, 45 L. Ed. 794.....	25
Claude Neon Lights, Inc. v. E. Machlett & Son, 27 F. (2d) 702.....	27
Commissioner of Internal Revenue v. Kelly's Estate, 84 F. (2d) 958, 963.....	28
Corning et al. v. The Troy Iron & Nail Factory, 15 How. 449, 14 L. Ed. 768.....	22, 24, 27
County of San Mateo v. Southern Pacific R. R. Co., 116 U. S. 138, 29 L. Ed. 589.....	20
Gamewell Fire-Alarm Tel. Co. et al. v. Municipal Signal Co. et al., 61 Fed. 208 (C. C. A. 1).....	21
Harding v. Federal National Bank, 31 F. (2d) 914.....	28
Heaton-Peninsula Button-Fastener Co. v. Eureka Specialty Co. et al., 77 Fed. 288, 294.....	7
Journal of Patent Office Society, Feb. 1939, pp. 90-91.....	31
Lewis v. United States, 216 U. S. 611, 612, 54 L. Ed. 637, 638.....	20

	PAGE
Lindheimer v. Illinois Bell Telephone Co., 292 U. S. 151, 176, 78 L. Ed. 1182.....	21
Little v. Bowers, 134 U. S. 547, 33 L. Ed. 1016.....	20
Lockwood et al. v. Wickes et al., 75 Fed. 118 (C. C. A. 8)	21
McKinnon Chain Co. v. American Chain Co., 268 Fed. 353, 354	28
Monarch Marking System Co. v. Dennison, 92 F. (2d) 90 (C. C. A. 6)	28
Morley Construction Co. v. Maryland Casualty Co., 300 U. S. 185	26
New York Telephone Company v. Maltbie, 291 U. S. 645, 78 L. Ed. 1041, 54 Sup. Ct. 448.....	21, 22
Oliver-Sterwood Co. v. Patterson-Ballagh Corp., 95 F. (2d) 71 (C. C. A. 9).....	25
Ottenheimer Bros. et al. v. Libuwitz et al., 74 F. (2d) 858, 863.....	28
People of the State of California v. San Pablo & Tulare R. R. Co., 149 U. S. 308, 314, 37 L. Ed. 747, 749	20
Peters Patent Corp. v. Bates & Klinke, Inc., 295 U. S. 392, 394, 79 L. Ed. 1498, 1500.....	18
Radio Corp. v. Hygrade Sylvania Corp., 10 Fed. Supp. 879, 882	7
Roemer v. Simon, 91 U. S. 149, 23 L. Ed. 267.....	11
Sanitary Refrigerator Co. v. Winters, 280 U. S. 30, 74 L. Ed. 147	16
P. E. Sharpless Co. v. William A. Lawrence & Son, 208 Fed. 886 (C. C. A. 3).....	21
Southwestern Bell Telephone Co. v. City of San An- tonio, Tex., 75 F. (2d) 880, 881 (C. C. A. 5).....	22
Stearns v. Wood, 236 U. S. 76, 78, 59 L. Ed. 475, 476	21
Triplett v. Lowell, 297 U. S. 638, 649, 80 L. Ed. 949, 956	19

The Troy Iron & Nail Factory v. Corning et al, 14 How. 192, 14 L. Ed. 383	23, 25
United States v. Colgate, 250 U. S. 301, 63 L. Ed. 992	8
United States v. General Electric Co. et al, 272 U. S. 476, 71 L. Ed. 362	8
Vultex Corp. v. Heveatex Corp., 100 F. (2d) 838 (C. C. A. 1)	15

IN THE

Supreme Court of the United States

October Term, 1938

No. 582

ELECTRICAL FITTINGS CORPORATION, JOSEL-
SON SALES CORPORATION, SAMUEL JOSEL-
SON and BELLE JOSELSON,

Petitioners,

vs.

THE THOMAS & BETTS CO. and NATIONAL
ELECTRIC PRODUCTS CORPORATION,

Respondents.

BRIEF FOR RESPONDENTS

The question presented by petitioners for determination in this case is quite simple when considered apart from the many erroneous and extravagant statements of law and fact in petitioners' brief.

While it pains respondents to file a long brief in opposition to a simple question, the same appears to be justified by a desire to completely answer every point, relevant or otherwise, raised directly or indirectly by petitioners in support of their question and thus show affirmatively that there is nothing unusual lurking in the record of this case which can be said to compel the attention of this Court.

Supplemental Statement of the Case

1. In their brief on page 3, paragraph 3, petitioners state:

"Respondent, National Electric Products Corporation, a Delaware Corporation, is *recognized as dominating the electrical business in the supply of wires, cables, bushings, fittings, etc.*" (Emphasis ours.)

There is no support in the record for this statement and petitioners cite none. This statement is calculated to convey to this Court a wholly erroneous impression concerning one of the respondents. At the time of the trial of this case respondent National Electric Products Corporation was not even a licensee under the patent in suit (R. 20, fol. 60) although it was vested with the legal title thereto, as stated in the opinion of the district court (R. 261, fol. 783; 23 F. Supp. 920, 921).

While a consideration of the invention covered by the patent in suit is *not necessary* for a determination by this Court of the question presented, a brief statement concerning the same will be helpful in considering, in their true light, many statements in paragraphs 4, 5 and 6 on pages 3 and 4, and elsewhere in petitioners' brief. Respondents submit that standing alone, these paragraphs contain other statements just as misleading as is the first sentence from paragraph 3, page 3, of petitioners' brief quoted above.

2. The patent in suit (R. 158) is entitled *Connector for Electrical Conduits*. The invention covered by this patent resides in the novel combination of elements in which *the function of visibility through niches or peep-holes in a connector* inherently plays a part never before

played in a similar environment. As defined in claim 1 of the patent in suit the invention comprises, in combination, several elements, including the four set forth in paragraph 4, page 3, of petitioners' brief, one of which petitioners describe as element (3) "*a connector of particular construction.*" The peculiarity of this third element of the combination is defined in terms of sub-elements, not mentioned by petitioners, including "*inwardly projecting fingers* adapted to bear upon" the shoulder of *a bushing* and retain the bushing in place. The spaces between the fingers were also described at the trial of the case (R. 38, fol. 112, R. 268, fol. 802), as "*niches*" and also as "*peepholes*" (R. 264, fol. 790).

The novelty and validity of claim 1 of the Fullman patent, therefore, resides in a new structural combination including *fingers* which provide *peepholes* or *niches* through which a bushing is visible for purposes of inspection, such for example as required by the National Board of Fire Underwriters (R. 264, fol. 792 to 795), and which retain the bushing in place. The effect of the fingers and peepholes is to impart a new result or function to the entire combination of elements recited in claim 1. So important was this invention that shortly after the grant of the patent in suit the regulations of the National Board of Fire Underwriters were amended to require the use of connectors having the advantageous features covered by the Fullman patent (R. 266, fol. 796). The District Court recognized both the new structure and functions of the combination. See the following language in its opinion, 23 Fed. Supp. 920, 923 (R. 267); to wit:

"While the other elements of claim #1 in suit may be found separately in the defendants' exhibit patents, *in none of them is found the particular type of fingers having the double function*

of bearing upon the bushing and retaining the bushing in place; in fact fingers are not found in defendants' exhibit patents having either one of these functions."

"As the mechanical construction of these fingers is different from those of the exhibit patents and as they perform functions not found in those patents, the Court is of the opinion that they are more than a simple mechanical change from the prior art and that they exhibit an exercise of an inventive thought, and that, therefore, claim #1 is valid." (Emphasis ours.)

3. The value of the invention is made manifest from the fact that when cable connectors like those covered by the patent in suit were first put upon the market they were received with great enthusiasm and practically replaced (R. 27) the old connector (Exhibit 17) and also from the further fact that respondents and their licensees have sold in excess of 70,000,000 connectors like those defined in claim 1 at a gross selling price in excess of \$1,500,000 (R. 270, fols. 809-810; 23 Fed. Supp. 920, 925).

4. A petition for rehearing (R. 279) was brought in the District Court by petitioners here, and after a full hearing denied (R. 287, fols. 860-861).

5. At final hearing, two types of connectors were before the District Court; namely a set screw connector, Exhibit I (R. 17) and a squeeze connector, Exhibit 2 (R. 17). A picture of each of these connectors appears in the bill of complaint (R. 7). The only difference between these two connectors (Exhibits 1 and 2) is the means by which they are fastened, respectively, to the "armored cable" referred to in the claim. Hence, as their names imply, "a set screw connector" employs a set screw as the means

for fastening the same to an armored cable, while "a squeeze connector" employs a clamp for the same purpose.

6. For twenty years or more (R. 26) connectors like *Exhibit 17, identically the same as Exhibits 1 and 2 and illustrated in the bill of complaint (R. 7), except that they had no niches and fingers at the mouth*, were used in the trade. Connector Exhibit 17 may therefore be referred to as a *smooth mouth connector*.

The testimony of respondents' witness, Mr. McMurtrie (R. 26), in this regard is as follows:

"I am generally familiar with the commercial practice of various devices employed in connection with the connecting of cables and wires to outlet boxes which was in use prior to the granting on July 8, 1930, of the Fullman patent in suit. *They used connectors with mouths similar to the one which I hold in my hand.*

"The Court: Which will be marked Exhibit 17 for Identification.

(Marked Plaintiffs' Exhibit No. 17 for Identification.)

"Q. How long had that been in use, Mr. McMurtrie? I am referring to—

"The Court: Exhibit 17.

"Q. (Continuing.) —Exhibit 17. A. You mean the mouths—connectors with the mouths—

"Q. The connector itself. A. The connector itself, *about twenty years, maybe thirty.*" (Emphasis ours.)

Concerning Respondents' Exhibit 17 the District Court said (R. 263, fol. 789; 23 F. Supp. 920, 922):

"There was offered in evidence (Plaintiffs' Ex. 17) a type of set screw connector conceded to have been in use for many years and of which the set screw type of plaintiffs' connector is a counterpart *in every particular except one* and in that respect the improvement constitutes the basis of the claimed invention." (Emphasis ours.)

7. All matters presented and discussed in paragraphs 3, 4, 5 and 6 of pages 3 and 4 of petitioners' brief with respect to respondents' use, and that of its licensees, of the Fullman invention, were presented to the District Court and with respect thereto the following findings were made in its decision (R. 268, fols. 803, 804; 23 F. Supp. 920, 924):

1. "There is *no proof* in this case that any effort has been made to effect price control.
2. "Plaintiffs' connectors *are not*, in my opinion, *standard articles of commerce*.
3. "There is *no evidence* in this case that commercial success was due to any unusual promotional efforts." (Emphasis ours.)

Note also the admission (R. 289) of counsel for petitioners at the argument before the District Court on defendants' petition for rehearing, as follows:

"Mr. Crews: I offered the answers to the interrogatories and *I haven't raised any question as to the legality of price-fixing.* ●

"The Court: I realize that. That is my reason for the interruption of Mr. Fassett's reading of those citations. *The question of the legality of price fixing is not the question. At any rate it was not argued before me.*" (Emphasis ours.)

8. At page 3, paragraph 5, of their brief petitioners infer that respondents

“by granting licenses to *all known manufacturers* of the unpatented connectors” (Emphasis ours.)

are making some unlawful use of their patent monopoly. It is palpably extravagant to state that respondents granted licenses to “*all known manufacturers*” of devices of this kind. The testimony (R. 31, fols. 92-93) is that the respondent, The Thomas & Betts Co., did not know how many manufacturers there were and petitioners offered no evidence to prove any such fact.

Also in paragraph 5, page 3, petitioners assert that licensees of respondent, The Thomas & Betts Co., sell only to purchasers approved by said respondent and named on a so-called “approved list” which said respondent formulates and supplies to the licensees. Petitioners therefore conclude at the top of page 4 that by means of this paragraph of the license agreements respondents are in a position to and “do dictate” to whom connectors may be sold thereby dominating and controlling the business in current outlets. With respect to said statement and conclusion the amusing fact is that there is no evidence in the record that such an “approved list” of purchasers ever existed. As a matter of fact no approved list of purchasers was ever made or used pursuant to paragraph 7 of the standard license (shown at R. 216). But even if there were such an “approved list” respondent, The Thomas & Betts Co., would be clearly within its rights in saying to its licensees to whom the connectors may or may not be sold and at what price they should be sold. See *E. Bement & Sons v. National Harrow Company*, 186 U. S. 70, 46 L. Ed. 1058; *Heaton-Peninsula Button-Fastener Co. v. Eureka Specialty Co., et al.*, 77 Fed. 288, 294; *Radio Corporation v. Hy-*

grade Sylvania Corporation, 10 Fed. Supp. 879, 882; *U. S. v. General Electric Co. et al.*, 272 U. S. 476, 71 L. Ed. 362; and *American Equipment Co. v. Tuthill B'ld'g Material Co.*, 69 F. (2d) 406 (C. C. A. 7). Furthermore petitioners themselves have always been able to purchase their connector requirements from The Thomas & Betts Co. or from any of its licensees under the patent in suit. See answer to bill (R. 14, fol. 42). Apparently petitioners fear that respondents will cut off their supply. The answers to that are very simple, indeed, namely: first, that respondents never have; and second that respondents' patent gives them that very right and protection.

Even if respondents were dealing in a standard article of commerce they could, in the absence of a contract in restraint of interstate trade or commerce, carry on their business by selling to whom they pleased. Indeed, under their constitutional rights in respect to private property, respondents may if they choose refuse to deal with petitioners, whatever their reason may be, since there is no legal obligation whatever on a trader or manufacturer in carrying on an entirely private business to sell its or his goods to anyone if, for any reason, he is not disposed to do so.

In this connection, reference is made to *United States v. Colgate*, 250 U. S. 301, 63 L. Ed. 992, 997 in which this Court, referring to the Sherman Act, said:

"In the absence of any purpose to create or maintain a monopoly, the act does not restrict the long-recognized right of trader or manufacturer engaged in an entirely private business, *freely to exercise his own independent discretion as to parties with whom he will deal*. And, of course, he may announce in advance the circumstances under which he will refuse to sell. 'The trader or manufacturer,

on the other hand, carries on an entirely private business, and may sell to whom he pleases' United States v. Trans-Missouri Freight Assn. 166 U. S. 290, 320, 41 L. Ed. 1007, 17 Sup. Ct. Rep. 540. 'A retail dealer has the unquestioned right to stop dealing with a wholesaler *for reasons sufficient to himself*, and may do so because he thinks such dealer is acting unfairly in trying to undermine his trade.' Eastern States Retail Lumber Dealers Assoc. v. United States, 234 U. S. 600, 614, 58 L. Ed. 1940, 1500, L. R. A. 1915A, 788, 34 Sup. Ct. Rep. 951. See also Standard Oil Co. v. United States 221 U. S. 1, 56, 55 L. Ed. 619, 643, 34 L. R. A. (N. S.) 834, 31 Sup. Ct. Rep. 502, Ann. Cas. 1912D, 734; United States v. American Tobacco Co. 221 U. S. 106, 180, 55 L. Ed. 663, 694, 31 Sup. Ct. Rep. 632; Boston Store v. American Graphophone Co., 246 U. S. 8, 62 L. Ed. 551, 38 Sup. Ct. Rep. 257, Ann. Cas. 1918C, 447." (Emphasis ours.)

It is interesting to note in this same connection that any licensee enjoys the utmost freedom at any time to cancel his license. See paragraph 10c of the license agreement (R. 219) as follows:

"10c. This license may also be cancelled and terminated by either the Licensor or the Licensee on not less than sixty days notice sent by registered mail or telegraph to the other party hereto setting forth therein the date of termination of the license and the Licensor and the Licensee agree that the license shall end and be considered terminated as of the date set forth in such notice."

As stated above, respondent, National Electric Products Corporation, at the time of the trial was not even a licensee under the patent in suit. The testimony (R. 20, fol. 60) is that "the National Electric Products Corpora-

tion license has been cancelled". Other licenses have been cancelled.

9. Respondents' particular connector is patented in combination with the other elements defined in claim 1. The District Court found that these connectors were not "*standard articles of commerce*" (R. 268, fols. 803, 804) because petitioners failed to show that they *had any utility apart from the combination claimed*. The only unpatented connector in this case therefore is Exhibit 17 which has been known for twenty years and which any one is free to manufacture, sell and use.

10. At page 4, paragraph 5, petitioners also intimate that respondents are "*dominating and controlling the business in current outlets*" by the manner in which they employ their patent. This is wholly incorrect because, first, there is no evidence thereof and, second, the business of dealing in current outlets as well as *wires, cables, bushings*, and other "*electrical fittings*" may be conducted now just as it was prior to the grant of the patent in suit by using the old connectors, Exhibit 17. Respondents' answer therefore to the statement that they *dominate and control* the business in current outlets is that the same cannot be true when the public is free to use, if it chooses to do so, a smooth mouth connector like Exhibit 17, that is, *one without fingers or niches*. Moreover, by the use of the invention of the patent in suit respondents cannot, for the same reason, "*dominate the electrical business in the supply of wires, cables, bushings, fittings, etc.*" as petitioners state in paragraph 3, page 3, of their brief, because anyone is perfectly free to manufacture and sell *wires, cables, bushings* and other "*electrical fittings*" *whether used with respondents' connectors, Exhibit 1 and Exhibit 2 (R. 7), or with the old type con-*

necter Exhibit 17 which is a standard, unpatented article of commerce. In this connection, see the following from the opinion of the District Court (R. 268; 23 Fed. Supp. 920, 924):

"It is conceded by plaintiffs that they do not seek to have the claims in the Fullman patent given a construction broad enough to prevent anyone from using old and unpatented bushings, cables or conduits, with the peephole connectors furnished by the plaintiffs or their authorized licensees which, of course, they could not do. (*Bassick Mfg. Co. v. R. M. Hollingshead Co.*, 298 U. S. 415.)

11. In paragraph 10, page 5, of petitioners' brief it is asserted that petitioners brought a motion in the District Court to set aside the decree and hold the patent invalid in its entirety under Sections 4917 and 4922 F. S. for unreasonable delay in filing a disclaimer of the invalid claim 2. The record before this Court does not show that such a motion was brought in the District Court but that is admitted by respondents and that the same culminated in the decision of the District Court (R. 306, 25 Fed. Supp. 178).

An appeal having already been taken said motion was clearly informal, and at the hearing thereon respondents advised the District Court that if petitioners had any remedy at all, it was not by way of a motion but by way of petition to reopen and that so far as respondents were concerned the District Court might treat said motion, as it did, as a petition to reopen. Respondents contended at the hearing thereon that the motion, even treated as a petition to reopen, was, as a matter of law, without merit; and that if the District Court was of the opinion that the case should be reopened to determine the merits of petitioners' petition the practice outlined in *Roemer v. Simon*,

91 U. S. 149, 23 L. Ed. 267 and in *Baltimore S. S. Co. v. Phillips*, 9 F. (2d) 902, should be followed.

In said paragraph 10, page 5, petitioners also erroneously assert that the District Court held that its jurisdiction terminated with the allowance of the appeal and therefore denied defendants' motion without passing upon the merits. That is incorrect. As a matter of fact, the District Court said (R. 307; 25 Fed. Supp. 173, 174):

"But the Court is not without recourse to do justice in a proper case and the accepted practice in a situation such as is now present would seem to be to apply to the Appellate Court to have the case remitted if the trial judge felt that substantial justice so required. *Baltimore S. S. Co. v. Phillips*, 9 F. (2d) 902."

The disclaimer in question was admittedly filed within thirty days after the time to appeal had expired. Note the following statement by the District Court showing that plaintiffs had strictly complied with the law of this Circuit and that the disclaimer was timely filed (R. 309; 25 Fed. Supp. 173, 175):

"The rule in our own Circuit referred to by Judge Coleman in *General Chemical Co. v. Standard W. P. & Acid Works*, 8 Fed. Supp. 265 (D. C. Md.) as 'the thirty day rule' or 'the New York rule' is that the filing of a disclaimer within thirty days after the time to appeal has expired, is not unreasonable, and certainly if a party has ninety days within which to appeal it does not seem logical that he should be *required to give up this statutory right* and file his disclaimer." (Italics by District Court.)

And see the following which shows that the District Court treated petitioners' motion as a petition to reopen (R. 309, fol. 314; 25 Fed. Supp. 173, 175):

"The Court is disinclined to request the Appellate Court to authorize it to reopen the case and remit the record for that purpose."

This is a far cry from the statement in petitioners' brief, page 10, that defendants' said motion before the District Court was "denied" by the District Court "without passing on the merits". On the contrary, the decision of the District Court clearly shows from the foregoing that irrespective of any showing of special circumstances the plaintiffs may be able to make in opposition thereto, the motion, on the law alone, was actually *dismissed as being without merit*.

Moreover, the proper time and place to raise any question as to the disclaimer would be in any subsequent suit, if brought, when evidence could be given to show a mistake of the Patent Office in failing to record the disclaimer, when funds for payment were on deposit there, and not in this case wherein the question is quite immaterial because of the suit having been determined wholly in defendants' favor.

12. When the District Court filed its opinion (23 Fed. Supp. 920) finding claim 1 of the patent in suit valid and not infringed, and claim 2 invalid, respondents were put to an election of remedies, namely whether (1) to appeal, or (2) to file a disclaimer as to claim 2 and reissue the patent in suit. They elected to do the latter. It is true as stated in respondents' letter of November 25, 1938, appearing on page 6 of petitioners' brief, that the Fullman reissue patent No. 20,873 (granted Oct. 4, 1938) contains two additional claims, both of which are broader than original claim 1. So we have here, in effect, three adjudications of the patentability of claim 1 of the patent

in suit, namely, (1) by the Patent Office when the original patent was granted; (2) by the District Court (R. 259; 23 Fed. Supp. 920); and (3) by the Patent Office, in the light of the decision of the District Court, upon the application for said reissue. With respect to the latter the Patent Office not only reallocated claim 1 but actually granted to respondents two other claims broader in scope than that held by the District Court to be valid. The statement therefore at page 16 in petitioners' Petition to this Court for a Writ of Certiorari that the patent in suit, is on its face, obviously invalid as being for a mere aggregation of elements and the similar statements made at page 9 and at page 10 of their present brief about the "obviously invalid patent" in suit are without force.

We shall now consider the single question really presented by petitioners for determination.

Respondents Restate Question Presented by Petitioners

Based upon the record facts of this case, the question presented should be re-stated as follows:

The sole question for decision of this Court is whether or not, in an *ordinary patent infringement* suit in which the defendants sought no affirmative relief and in which, after a hearing upon the merits, a final decree is entered dismissing plaintiff's bill of complaint (a) as to contributory infringement, (b) for an injunction, and (c) for an accounting, and in which plaintiffs did not appeal from said dismissal on any grounds, the defendants have a right of appeal from a *finding* of the District Court not necessary to support the decree and wholly

immaterial thereto *on an issue specifically raised for determination by defendants' answer to the Bill.*

It does not appear in the sole question as presented by petitioners that *their answer to the bill sought no affirmative relief and that respondents did not appeal on any ground from the final decree dismissing the bill of complaint.* Nor do petitioners state, as does the Court of appeals in its decision below, R. 313, "*that the defendants have already received all the relief they can obtain in this action * * **". Accordingly, respondents submit that the question presented by petitioners is incomplete.

It may not be amiss to point out that the usual issues in a patent infringement suit are validity and infringement and that they are terminated in one of the following ways: (1) claim sued upon held valid and infringed; (2) claim sued upon held valid but not infringed; (3) claim sued upon held not infringed, and (4) claim sued upon held invalid. Where the claim sued upon has been held valid and infringed plaintiff is entitled to an injunction and an accounting, and if an accounting is desired an interlocutory decree is entered. In all other cases a final decree is entered dismissing the bill.

It will be noted from the case of *Vultex Corporation v. Veatex Corporation*, 100 F. (2d) 838 (C. C. A. 1) the District Court held certain claims of the first patent in suit to be valid but not infringed, and certain claims of the second patent in suit to be both invalid and not infringed if valid. On appeal by the plaintiff, the Circuit Court of Appeals affirmed the decree of the District Court with respect to the first patent in suit, but held the second patent in suit valid but not infringed. In many patent cases it is necessary not only to make a finding on the

question of validity but also on the scope of a claim of a patent in order to determine the question of infringement. See *Sanitary Refrigerator Co. v. Alexander F. Winters et al.*, 280 U. S. 30, 74 L. Ed. 147.

Petitioners' Present Position is of Their Own Deliberate Making

At the bottom of page 8 of their brief, petitioners state they were charged with contributory infringement, and that "*their principal defense to the suit was the invalidity of the patent.*" The decision of the District Court turned partial failure into complete success for the petitioners when it decided (R. 273, fol. 817; 23 Fed. Supp. 926):

"Therefore, in the last analysis, the issue is whether Joselson, or the corporate defendants, purchased connectors from Sterling *with reasonable cause to believe* that the Sterling license had been cancelled prior thereto." (Emphasis ours.)

The record in this case shows that defendants tried and failed to prove that the sale of devices charged to contribute to the infringement of the patent in suit had other uses than in the combination of elements defined by claim 1 of the patent. The contentiousness of the petitioners is indicated by the fact that *they even denied that the sale of an element made in exact accordance with the terms of the patent in suit, by one whom they knew was a former licensee, and having no other use did not amount to contributory infringement.* In their answer to the bill of complaint, petitioners state (R. 14, fol. 42):

"that the connectors sold by them, the sale of which is charged to constitute an infringement of said

Fullman patent in suit, were all acquired from licenses of plaintiff, jointly or severally, under the patent in suit, to wit

Appleton Electric Company of Chicago, Ill.
Steel City Electric Company, of Pittsburgh, Pa.
Conduit Fittings Corporation of Chicago, Ill.
Sterling Manufacturing Company of Connecticut." (Emphasis ours.)

respondents' interrogatories and petitioners' answers hereto, Exhibits 3, 4 and 6 (R. 17, fol. 50) were relied on by respondents to show infringement of the patent in suit subsequent to the cancellation by respondents of license previously granted by them to Sterling Manufacturing Company referred to in petitioners' answer.

Since petitioners now state for the first time *that their principal defense was invalidity* they have no one but themselves to blame for their present situation, because of admission by petitioners of infringement instead of a specific denial thereof (paragraph 6 of Answer, R. 12), the patent being held valid, would have given them a final decree in the District Court from which their right of appeal would have been unquestioned. Under the circumstances such an admission would not have been unusual. But they chose to do otherwise, notwithstanding the fact that the device charged to infringe is a Chinese copy of the device of the patent in suit. Hence, respondents say the position in which petitioners now find themselves is of their own making.

Jurisdiction

A Circuit Court of Appeals is bound to inquire, first, as to its own jurisdiction of a cause brought before it by appeal and, second, as to the jurisdiction of the court from

which the record comes, even though the question is not raised by either of the parties. This question of jurisdiction is so fundamental and so well understood as not to require the citation of any authorities. It is respondents' contention that the question presented by petitioners, that is whether they may appeal from the decree in their favor, not only depends upon but is actually subordinate to the question of jurisdiction, and that the court below did not have jurisdiction to review this case, and that the writ of certiorari should be dismissed.

As the Decree of the District Court Terminated the Case in Petitioners' (Defendants') Favor by Denying Respondents' (Plaintiffs') Prayer for an Injunction and an Accounting, the Court Below Did Not Have Jurisdiction.

The bill of complaint in this case was dismissed by the District Court (R. 276). Respondents (plaintiffs below) did not appeal from the final decree of dismissal. Petitioners (defendants below) admittedly claim no title to the patent in suit and no right to an injunction based thereon. Hence, the lower court was without equitable jurisdiction to hear and determine the question here presented because all equitable jurisdiction had been ousted. *Peters Patent Corp. v. Bates & Klinke, Inc.*, 295 U. S. 392, 394; 79 L. Ed. 1498, 1500.

At the bottom of page 7 of their brief, petitioners quote from the Statute (Title 28 U. S. C. A. 225(a), Judicial Code Sec. 128), stating that nothing therein precludes an appeal to or review by the Circuit Court of Appeals in this case. If that Statute is interpreted to permit petitioners to appeal in this case, then it means that henceforth successful defendants may demand reviews of final deci-

sions of the district courts dismissing a complaint on the merits, merely to enable a defendant to obtain a review of a finding which he does not like. This would also apply to plaintiffs who have obtained complete relief. This is not, and never has been, the law.

Petitioners Are Seeking to Have This Court Consider "a Moot or Academic Question of Law" or to Judicially Determine "a Moot Case"

Respondents respectfully submit that petitioners' question should be answered in the negative, as a matter of law, upon the ground that the bill of complaint having been dismissed by final decree of the District Court, thus denying respondents' prayer for an injunction and an accounting, and *from which decree respondents did not appeal*, the obvious result is that all equitable jurisdiction of the Court below has been ousted. Petitioners' question, therefore, raises only a *moot or academic question* of law or a *moot case* with which this Court and the Circuit Court of Appeals are not concerned, and cannot be required to answer. This Court, in the case of *Triplett v. Lowell*, 297 U. S. 638, 649, 80 L. Ed. 949, 956, said:

"We are not required to answer academic questions, or questions which may not arise in the pending controversy. See White v. Johnson, supra (282 U. S. 373, 75 L. Ed. 394, 51 S. Ct. 115); United States v. Hall, 131 U. S. 50, 33 L. Ed. 97, 9 S. Ct. 663, supra; Webster v. Cooper, 10 How. 54, 55, 13 L. Ed. 325, 326." (Emphasis ours.)

The judicial power does not extend to the determination of abstract questions; and claims based merely upon "assumed potential invasions" of rights are not enough to

warrant judicial intervention. See *Ashwander v. Tennessee Valley Authority*, 297 U. S. 288, 324, 80 L. Ed. 688, 698-9.

Where, as here, there is no longer an *existing cause of action* between the parties the appeal should be dismissed. *County of San Mateo etc. v. Southern Pacific Railroad Company*, 116 U. S. 138, 29 L. Ed. 589. Where, as here, there is no actual controversy involving any real or substantial rights of the parties to the record, or where the controversy between the parties has become extinguished for one reason or another, the appeal will be dismissed; and in the interest of pure administration of justice, the fact that there is no controversy between the parties ought to be allowed to be shown at any time before the decision of the case on appeal. *Little v. Bowers*, 134 U. S. 547, 33 L. Ed. 1016. The Circuit Court of Appeals is not empowered to decide moot questions or abstract propositions, or to declare for the government of future cases, principles or rules of law which cannot effect the result as to the thing at issue in the case before it. *People of the State of California v. San Pablo & Tulare Railroad Co.*, 149 U. S. 308, 314, 37 L. Ed. 747, 749. Questions which can be raised must be real and must present controversies that are substantial, not only from the nature of the principles invoked, but from the relation to them of the party by whom they are invoked. *City of Lampasas v. Bell*, 180 U. S. 276, 284; 45 L. Ed. 527, 531. Where an appeal by a person indicted for a crime from an order of the court releasing and discharging him from further prosecution under the indictment, plaintiff in error could not complain until he was made to suffer; and when discharged from custody he is not legally aggrieved, and therefore cannot appeal. *Lewis v. United States*, 216 U. S. 611, 612, 54 L. Ed. 637, 638. The province of courts is to decide real controversies, not

to discuss abstract propositions. *Stearns v. Wood*, 236 U. S. 76, 78, 59 L. Ed. 475, 476.

Petitioners are not under injunction, Cf. *Gamewell Fire-Alarm Tel. Co., et al. v. Municipal Signal Co., et al.*, 11 Fed. 208 (C. C. A. 1); *Lockwood, et al. v. Wickes, et al.*, 15 Fed. 118 (C. C. A. 8); and *Chapin v. Friedberger-Aaron Manufacturing Co.*, 158 Fed. 409 (C. C. A. 3).

Petitioners Have Obtained Full Relief and Therefore Not Justified in Urging That the Decree Should Have Been Based Upon Both Grounds

Where, as here, petitioners sought to dismiss respondents' bill of complaint on two counts, namely (1) invalidity of the patent in suit, and (2) non-infringement, and have prevailed, albeit the Court's opinion is based upon only one of said grounds, namely, non-infringement, *petitioners have obtained full relief against the respondents and all they asked for in their answer* and are not entitled to urge on an appeal to the Circuit Court of Appeals that the decree in this case should have been based on both grounds, and thus obtain a review of a finding of validity as to one of the claims of the patent in suit. *P. E. Sharpless Co. v. William A. Lawrence & Son* (C. C. A. 3), 208 Fed. 886; *New York Telephone Company v. Maltbie*, 291 U. S. 645, 78 L. Ed. 1041, 54 S. Ct. 448; *Lindheimer v. Illinois Bell Telephone Co.*, 292 U. S. 151, 176, 78 L. Ed. 1182, 1197.

In the paragraph beginning at the bottom of page 15 of their brief petitioners say:

"Thus, petitioners' asserted right of appeal is not predicated upon the 'finding' by the District Court which led to the final decree. To the contrary, it is predicated upon the final decree itself, etc."

In the case of *New York Telephone Company v. Maltbie*, *supra*, the finding which constituted the basis of the appeal by appellant in that case was also incorporated by the district court in its decree, but notwithstanding that situation that appeal was dismissed by this Court. "But whether the findings of fact are put in the decree or elsewhere is a mere matter of form." *Southwestern Bell Telephone Company v. City of San Antonio, Texas*, 75 F. (2d) 880, 881 (C. C. A. 5).

Decision of the Court Below States the Law

The Court below, in its opinion (R. 312), at the bottom of page (R. 313) states the law applicable to the question presented here by petitioners, as respondents understand it to be, as follows:

"A party may not appeal from a decree, which terminated in his favor *the entire cause of action sued on, merely to obtain a review of findings which he believes erroneous*, but which are unnecessary to support the decree, *Lindheimer v. Illinois Bell Telephone Co.*, 292 U. S. 151, 176; *N. Y. Telephone Co. v. Maltbie*, 291 U. S. 645." (Emphasis ours.)

The Precise Question Here Involved Was Passed Upon and is Therefore Controlled by the Decision of This Court in the Case of *Corning et al. v. The Troy Iron & Nail Factory*, 15 Howard 449

The decision of this Court in the case of *Corning et al. v. The Troy Iron & Nail Factory*, 15 Howard 449, 14 L. Ed. 768, is on all fours with the instant case. In that case plaintiff (Troy Iron) brought suit against defendants (Corning, Winslow and Horner) for the infringement of a

patent to one Burden which had been assigned to the plaintiff. The defenses there, as here, were invalidity and non-infringement (license). The Circuit Court held the patent in suit to be valid but that defendants did not infringe (had a license); and therefore dismissed the bill.

Upon appeal by plaintiff this Court reversed the decree of the Circuit Court dismissing the bill by holding the Burden patent in suit to be valid and also to be infringed. For the foregoing facts see the earlier decision of this Court in that litigation, namely, *The Troy Iron & Nail Factory v. Erastus Corning et al.*, 14 Howard 192, 14 L. Ed. 383.

Pursuant to the mandate of this Court in said earlier decision of this Court, the Circuit Court entered the usual decree of validity and infringement, granted a perpetual injunction and referred the case to a Special Master for an accounting. Thereupon defendants appealed to this Court from so much of the *original decree* as held the patent in suit to be valid. Promptly thereafter plaintiff (respondent) brought a motion to dismiss the appeal upon several distinct grounds, chief of which were (1) that the appeal was taken by defendants from a decree dismissing plaintiff's bill, and (2) the defendants had already been heard in this Court on a former appeal (14 Howard 192; 14 L. Ed. 383). It will be noted that on the second appeal (14 U. S. 451, 465; 14 L. Ed. 768, 774) this Court treated defendant's appeal in one aspect of the same as though it were the first appeal to this Court, and held that where defendants have set up two grounds of defense and the Judge dismissed the appeal upon one of said grounds (non-infringement), and that defendants have not established the other ground (invalidity), defendants cannot appeal from the latter. This Court said:

"Looking at the case as exhibited to us by the record, it appears to be an appeal by respondent (defendant) from a decree dismissing complainant's bill with costs. * * * And having such a decree on the present case, he cannot have a more favorable one." (Parentheses ours.)

Note also the following which occurs on the same page:

"It (the decree) shows only that the judge in reciting the inducement or reasons for entering a decree in favor of the respondents (defendants) below, was of the opinion that they were entitled to such decree, because they had succeeded in establishing one only of the two defenses alleged in their answer. It is the opinion of the Court, *on a question of fact involved in the case, but not affecting the decree.* If the decree be correct, the party in whose favor it is given has no right to complain; yet his appeal prays that it 'may be reversed, and the appellants (defendants) restored to all things which they have lost by reason thereof;' and the record shows they have lost nothing.

* * * * *

"They (defendants-appellants) have put themselves in the anomalous position either of asking for the affirmance of the decree from which they have appealed, or of requesting this Court to reverse a decree in their favor, and send back the record to the court below, *with directions to enter the very same decree, but to assign other reasons for it.* * * *

The law gives the party aggrieved an appeal from a final decree of an inferior Court. *But it does not give the party who is not aggrieved an appeal from a decree in his favor.* * * * (Parentheses and emphasis ours.)

This later case of *Corning et al. v. The Troy Iron & Nail Factory, supra*, cannot be understandingly read until

the facts in the earlier case of *The Troy Iron & Nail Factory v. Erastus Corning et al.*, recited by this Court 14 How. 192, 14 L. Ed. 383, are first understood. The opinion of this Court in the later *Corning et al.* case indirectly emphasizes the importance of understanding the facts in the earlier case when, in the later case, at page 35, it said:

"There is a part of the history of this case which does not appear on the record, but being known to the Court, and assumed by counsel on both sides to make part of the case, it will be necessary to notice the case under that aspect."

In the case of *City of New Orleans v. Alphonse Emswiler*, 181 U. S. 152, 153, 45 L. Ed. 794, this Court subsequently said:

"The decree did not injure defendant but sustained its contention and defendant is in no position to complain that it is aggrieved by its own success. *The decree cannot be reversed at its instance because put on one of the grounds it urged rather than another.*" (Emphasis ours.)

Petitioners' Question Is Not Based Upon a Conflict of Decisions

There is no "direct conflict" between the decision of the Court below (R. 312; 100 F. (2d) 403) on the one hand, and the decision of the Circuit Court of Appeals in the Ninth Circuit and the practice of the Circuit Court of Appeals in the Sixth Circuit on the other, as stated on page 13 of petitioners' brief. The Ninth Circuit case relied upon by petitioners is that of *Oliver Sherwood Co. v. Patterson-Ballagh Corporation*, 95 F. (2d) 71, C. C. A. 9. In that case, unlike the case at bar (1) the defendants

counter-claimed, (2) both plaintiffs and defendants appealed from the decree, and (3) no motion was made to dismiss defendants' appeal.

The Patterson-Ballagh Corporation, one of the several defendants in this Ninth Circuit case, obtained a severance, because it was not interested in one of the patents in suit, and thereafter filed a cross-appeal. The Court in that case said, at page 72:

"The Patterson-Ballagh Corporation, no longer interested in the Bettis patent, secured a severance and filed a separate cross-appeal in which it confines its attack upon the decree to *that portion of the findings and decree which holds valid the Sherwood patents 1,416,988 and 1,510,804. This it could have done as appellee without a cross-appeal.* Herman Body Co. v. St. Louis Body, etc. Co., 8 Circ., 46 F. (2d) 879, Cf. Morley Const. Co. v. Maryland Cas. Co., 300 U. S. 185, 57 S. Ct. 325, 81 L. Ed. 593." (Emphasis ours.)

Following the quotation from the case of *Morley Construction Co. v. Maryland Cas. Co.*, 300 U. S. 185, 191, appearing on page 11 of petitioners' brief, the Court said:

"Findings may be revised at the instance of an appellant, if they are against the weight of evidence, where the case is one in equity. This does not mean that they are subject to like revision in behalf of appellees, at all events in circumstances where a revision of the findings carries with it as an incident a revision of the judgment. There is no need at this time to fix the limits of the rule more sharply. 'Where each party appeals each may assign error, but where only one party appeals the other is bound by the decree in the court below, and he cannot assign error in the appellate court, nor can he be heard if the proceedings in the appeal are correct, except in support of the decree from

which the appeal of the other party is taken'. The Maria Martin (*Martin v. Northern Transp. Co.*), 12 Wall. 31, 20 L. Ed. 251, *supra*."

We think this expression by the Court should remove from petitioners' mind any question concerning the law enunciated in this case of Morley Construction Co.

Respondents submit that petitioners are clearly in error when they state at page 11 of their brief that

"if respondents had taken an appeal from the dismissal of the complaint in this case, *petitioners could not have attacked the validity of the patent in the Court of Appeals without filing a cross-appeal directed thereto.*" (Emphasis ours.)

We have shown above that the defendant, Patterson-Ballagh Corporation, could, without filing a cross-appeal, have attacked the findings of the lower court holding the two Sherwood patents valid. Petitioners' counsel know this law because they did for the defendants in the case of *Claude Neon Lights, Inc. v. E. Machlett & Son* (27 F. (2d) 702), just that. In the *Claude Neon Lights* case the District Court (21 F. (2d) 846) found one of the patents in suit valid and not infringed. Plaintiff appealed and the defendants there, represented by counsel for the petitioners here, attacked in the Circuit Court of Appeals *without a cross-appeal* the decree of the lower court finding valid claim 2 of the patent in suit. The reason for this is that as a prerequisite to a *holding* of infringement, the Circuit Court of Appeals must *find* validity of the patent in suit.

In *Corning et al. v. The Troy Iron and Nail Factory*, 14 L. Ed. 768, 775, this Court said:

"But, in this case (where patent was held valid but not infringed and bill dismissed) where the decree of the court below dismissed the bill, no appeal by the respondent (defendant) was necessary. He had a full opportunity to urge every defense set up in his answer." (Parentheses ours.)

See also *McKinnon Chain Co. v. American Chain Co.*, 268 F. 353, 354; *Ottenheimer Bros. v. Libuwitz*, 74 F. (2d) 858, 863 and cases there cited; *Commissioner of Internal Revenue v. Kelly's Estate*, 84 F. (2d) 958, 963; and *Harding v. Federal National Bank*, 31 F. (2d) 914, 917, all of which are to the same effect.

In *Monarch Marking System Co. v. Dennison*, 92 F. (2d) 90, C. C. A. 6, covering what the petitioners describe as "the practice" in the Sixth Circuit, we need not say more than that *both plaintiff and defendant appealed from the decree in that case*, and no question was raised as to the right of defendant to appeal and so the point was not passed upon.

***Barber Asphalt case*, 302 U. S. 458, 82 L. Ed. 371.**

Petitioners intimate at page 9 of their brief that respondents are utilizing the Fullman patent in a manner and for a purpose which this Court condemned in the *Barber Asphalt case*, 302 U. S. 458, 460, 82 L. Ed. 371. Petitioners are clearly mistaken because the District Court in this case found (R. 268, fol. 802) that "the plaintiffs' (respondents) connectors are not . . . standard articles of commerce". The decision of this Court in the *Barber Asphalt case*, *supra*, reads in part as follows:

"The following facts were proved or admitted.

"The Barber Company and Leitch Manufacturing Company are competing manufacturers of bitu-

minous emulsion—an unpatented staple article of commerce produced in the United States by many concerns and in common use by their customers for many purposes.” (Emphasis ours.)

The foregoing shows that the controlling facts before the court in the *Barber* case are not presented in the case at bar.

***Carbice Corporation v. American Patent Development Corporation*, 283 U. S. 27, 75 L. Ed. 819**

The opinion of this Court in the case of *Carbice v. American Patents Development Corporation* cited at page 1 of petitioners' brief is no more helpful in determining the question here presented than is the *Barber Asphalt* case, *supra*, and for the same reason. In the *Carbice* case the unpatented article was carbon dioxide, and therefore, like respondents' connectors, a standard article of commerce. In the *Carbice* case, this Court said, referring to solid carbon dioxide.

“That article and its properties as a refrigerant have been long known to the public. The patent is not for a machine for making solid carbon dioxide nor is it for a process for making or using that substance. The Patent Office rejected an application for a process patent.” (Emphasis ours.)

If as petitioners intimate the *Barber Asphalt* and *Carbice* cases, *supra*, in which the article complained of in one case was a staple article of commerce and in the other articles long known to the public, preclude respondents from enjoining the manufacture and sale of a connector like that defined in claim 1 of the Fullman patent,

which is not a standard article of commerce, then there is no such thing as contributory infringement referred to by this Court in each of these cases.

Respondents Have Not Created an Unlawful Monopoly Nor Did Petitioners Plead Monopoly or Price Control

Respondents submit that a reading of petitioners' brief, in view of the record in this case, indicates an effort on the part of petitioners to cloak the question presented with some of the superficial anti-monopoly philosophy that is being so widely talked and loosely urged by persons apparently not aware that the word "monopoly" when used in connection with patents means something entirely different from the word "monopoly" as known and used many years ago by British sovereigns.

At page 8 of their brief, petitioners state that

" * * inasmuch as the decree sustains the validity of a patent grant, thereby establishing a monopoly for the period of its grant to the detriment of the public interest, that public interest necessitates, when called upon to give it, appellate scrutiny of the basis for or the legality of such a monopoly." (Emphasis ours.)*

Establishing a patent monopoly is not a "detriment to the public interest." The patent grant is rather a withholding from the public of something which prior to the grant of the patent was not in the public domain. It is a reward for the discovery of something new and useful.

The validity of the patent in suit is not presented to this Court for determination by the single question appearing at page 7 of petitioners' brief: Why this "monopoly"

statement should appear in petitioners' brief we do not know. Since, however, it does appear, we think it may be helpful to the Court to have respondents' answer thereto, in the recent words of the Honorable Commissioner of Patents, Conway P. Coe, as published in the Journal of the Patent Office Society, February, 1939, pages 87 and 130. At pages 90 and 91 of this publication it appears that, on January 16, 1939 Mr. Coe testified before the Temporary National Economic Committee of Congress, as follows:

"It occurs to me that a great deal of misapprehension results from the failure to distinguish between the monopoly or privilege vested in a patentee and the sort of monopoly that British sovereigns once conferred. It is only when we appreciate this distinction that we can understand how Jefferson could consistently advocate the monopoly of patents for inventions while condemning the traditional form of monopoly. Americans generally detest monopoly in the true sense of the term because it makes possible the ruthless exercise of power. Indeed, the American Revolution was precipitated by popular resentment of the monopoly on tea held by the East India Company. It would therefore have been exceedingly strange if, only a few years later, the delegates sent to the Constitutional Convention by Massachusetts and the other Colonies had been willing to sanction an equivalent form of monopoly under the new government they were creating. In the sixteenth and seventeenth centuries a king or queen of England could reward a favorite by granting him a monopoly on salt or some other necessary of life. This beneficiary of royal favor was not, of course, the discoverer of salt. That came ready-made from the hands of the Creator eons before the advent of man. What the darling of His or Her majesty received was the power to compel

others to use salt solely of his supplying and only on terms of his dictation.

"But a patent is no such monopoly. It is a reward for the invention or discovery of something new, something before unknown, something added to the sum total of human knowledge, utility, well-being; something which the inventor or discoverer, despising the lure of money or fame, might have withheld from his fellow men. By the monopoly that goes with a patent, then, the government recompenses and, for a limited time, protects the inventor or discoverer who gives to the world the use and benefit of his invention or discovery. This is a kind and a degree of mutuality that negatives monopoly in the old or the current concept. Monopoly in the latter sense of the term gave to an individual or a group complete dominion of something already existent. A patent awards monopoly to the producer of something original, something super-added to the common store. So it is that two things bearing the same name need not be of the same nature." (Emphasis ours.)

Finally, respondents' position is that if petitioners honestly believe (1) that *the patent on its face is invalid* and (2) that *the patent in its entirety is invalid because of respondents' unreasonable delay in filing a disclaimer of claim 2 which was held to be invalid by the District Court*, it would seem that petitioners should have no hesitancy in conducting themselves accordingly. Petitioners certainly know that under the law of laches respondents are under the duty to protect their patent rights and that necessarily in the natural course of things petitioners will have an opportunity to raise, at the proper time and place, any matter of a justiciable character. As said by the District Court (R. 309, fol. 314; 25 Fed. Supp. 173, 175) on petitioners' motion to vacate the decree in this

case on the alleged failure by plaintiffs to seasonably file a disclaimer of invalidated claim 2:

"The Court is disinclined to request the Appellate Court to authorize it to reopen the case and remit the record for that purpose. If the defendants succeed in their appeal the hearing now sought will become moot. *If they fail, they may still raise the issue if and when suit is brought against them for infringement or against any customer whom they may feel obligated to defend.*" (Emphasis ours.)

In Conclusion

In view of all of the foregoing, respondents submit that as a matter of law based upon the record facts, the Circuit Court of Appeals of the Second Circuit is without jurisdiction to hear and determine the question presented here by the petitioners and the writ of certiorari should be dismissed or its order dismissing the appeal affirmed.

Respectfully submitted,

GEO. WHITEFIELD BETTS, JR.,
WILLIAM BOHLEBER,
FRANCIS H. FASSETT,
Counsel for Respondents.

New York, N. Y., April 3, 1939.